

FISCAL NOTE FOR NON-CAPITAL PROJECTS

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Legislation Title: AN ORDINANCE relating to Emergency Medical Services; authorizing execution, pursuant to the Interlocal Cooperation Act, of an agreement with King County regarding the imposition and allocation of property tax revenues generated by a six-year, voter-approved King County-wide tax levy for emergency medical services, and approving the submittal by King County of a proposition to the voters seeking authority to levy those additional taxes.

Summary of the Legislation: This Bill authorizes the execution of an Interlocal Agreement between the City and King County with regard to Medic One/Emergency Medical Services (EMS). Specifically, the Interlocal Agreement gives the County approval to submit a proposition on the November 5, 2013 ballot seeking authority to levy 33.5 cents per thousand dollars of assessed property value in order to fund County-wide emergency medical services. In addition, the Agreement allocates the City of Seattle's share of EMS tax revenue based on the assessed value of taxable property within the city limits.

Background: In 2007, King County voters last passed a six-year levy to fund Medic One/Emergency Medical Services throughout the County. The last year for which taxes will be collected on that levy is 2013. Because the City's Medic One operation is separate from the County's EMS program, the City and County have executed Interlocal Agreements, whereby the County transfers to the City a portion of EMS tax revenue based on the assessed value of taxable property within the city limits. The attached proposed Bill authorizes the execution of a new six-year Interlocal Agreement with the County, provides the City's approval for the County to place an EMS tax levy proposition on the November 5 ballot, and details the terms by which the County will allocate the City's portion of tax revenues collected from the EMS levy.

Please check one of the following:

☐ This legislation does not have any financial implications.

☒ This legislation has financial implications.

This legislation has only indirect financial implications. It makes no appropriations and does not

directly change any revenue sources. Both appropriations and levy fund revenues are handled as part of the budget process.

If approved by the voters of King County, the levy is projected to raise a total of \$683.1 million from 2014-2019. Of this, Seattle is projected to receive 37%, or \$255.6 million, which is \$40.6 million in 2014 rising to \$44.4 million in 2019. The levy is slated to cover all of the Seattle Fire Department's costs for advanced life support (ALS) service as well as a share of the cost for basic life support (BLS). The Financial Plan overview, with projected revenue and spending amounts as adopted by the King County Council, is shown in Exhibit 1 to the agreement.

Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications?

The City's approval of this legislation signals support and partnership with the county and the other member cities for a county-wide regional system for funding and providing emergency medical services. Withholding support threatens the ongoing funding and governance model of the regional system.

b) What is the financial cost of not implementing the legislation?

The City would, beginning in 2014, not receive approximately \$41 million annually, rising to \$44 million over the six year term of the levy, for emergency medical services. Alternate funding – most likely General Subfund – would need to be identified in order to continue emergency medical services, or severe cuts to the City's Medic One services would need to be imposed.

c) Does this legislation affect any departments besides the originating department?

Seattle Fire Department emergency medical services and staff would be affected should the King County Medic One/EMS levy renewal not reach the ballot or fail.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives.

There are no other taxing authorities provided in the RCW specifically to fund Medic One/EMS programs. There are no alternative processes specifically authorized to maintain the King County regional EMS levy and system. This authorizing legislation is required of all cities with population greater than 50,000 per RCW 84.52.069 as partners in the King County Medic One/EMS levy and regional system.

State law does authorize cities to impose their own EMS levies in the absence of a County levy, but both jurisdictions cannot place EMS ballot measures before voters at the same time. Pursuing an independent levy would effectively end the nationally recognized, standard-setting regional system which Seattle helped create. The City could also propose a levy lid lift to pay for these services, but this would use up levy capacity that would otherwise remain available for other lid lift eligible purposes. A final alternative, although very unlikely to be realized, would be to secure the projected levy amounts in annual grant funding. For example, the Medic One Foundation raises money

that already supplements the existing Medic One program that is now funded by the Medic One levy and City General Subfund. No other potential grant sources are known at this time. In the absence of this or other funding sources, cutting other General Fund programs would need to be imposed to fund emergency medical services.

e) Is a public hearing required for this legislation?

No.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

g) Does this legislation affect a piece of property?

No.

h) Other Issues:

List attachments to the fiscal note below: